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March 29, 2021

CONSUMER PROTECTION DIVISION

To: The Honorable William C. Smith, Jr.

Chair, Judicial Proceedings Committee

From: Kira Wilpone-Welborn

Consumer Protection Division

Re: House Bill 1008 – Failure to Pay Rent Proceedings – Sealing of Court Records

(SUPPORT)

The Consumer Protection Division of the Office of the Attorney General supports House Bill 1008 sponsored by Delegate Terri L. Hill. House Bill 1008 requires the District Court to seal any record from a failure to pay rent proceeding within sixty days if judgment for possession is not awarded to the landlord. Moreover, House Bill 1008 allows a tenant to petition for the sealing of a prior failure to pay rent action after twelve months when a tenant redeems possession of the property, or as justice requires.

Presently, failure to pay rent actions no matter their disposition are available for public inspection and reporting, allowing the mere filing of a failure to pay rent action to immediately appear on a tenant's credit and other background records. The ultimate disposition and the circumstances surrounding the filing, however, are not included in such records. This can have a catastrophic impact on a consumer's access to housing and less expensive credit. As a result, as the Washington Post recently reported, even when successful in defending a failure to pay rent filing or paying off any alleged debt and avoiding a physical eviction, tenants can still be denied subsequent rental housing due to the reporting of a prior eviction filing on credit reports and other background records. This can cause tenants to enter a constant cycle of housing insecurity due to prior failure to pay rent actions that do not accurately reflect what happened in the proceeding or their present suitability to rent.

House Bill 1008 seeks to resolve this persistent cycle of historic failure to pay rent filings that cause subsequent housing insecurity by sealing eviction records when the landlord does not obtain

¹ "The stimulus relieved short-term pain, but eviction's impact is a long haul" Washington Post, February 8, 2021.

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possession or if the tenant redeems possession or as justice requires. Sealing these records limits the dissemination of inaccurate and incomplete tenant eviction record information to landlords, thus allowing consumers more access to the rental market un-impinged.

Importantly, House Bill 1008 provides essential relief for Marylanders impacted by the COVID-19 Pandemic. While the Governor's and the CDC's Moratorium on eviction actions due to the COVID-19 Pandemic provided brief and sporadic relief for Maryland families from eviction and resultant housing instability, more is needed to ensure that Marylanders experiencing the continual waves of the pandemic are able to maintain and access new housing. Presently those evicted during the pandemic due to income loss, or the unexpected and unfortunate loss of a loved one will face a barrier to securing new housing and stability in the years ahead. House Bill 1008 would minimize the long-term impacts of these unforeseen events and allow Maryland families to rebuild and stabilize.

For the stated reasons, the Consumer Protection Division supports House Bill 1008, and requests the Judicial Proceedings Committee provide a favorable report.

cc: Members, Judicial Proceedings Committee